

West Central Michigan Employment and Training Consortium

(d/b/a "Michigan Works! West Central")

Big Rapids, Michigan

Financial Statements and Additional Information
Year Ended June 30, 2008

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Twp <input type="checkbox"/> Village <input checked="" type="checkbox"/> Other		Local Unit Name West Central Michigan E&T Consortium	County Mecosta
Fiscal Year End June 30, 2008	Opinion Date November 18, 2008	Date Audit Report Submitted to State December 30, 2008	

We affirm that:

We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).


YES NO

Check each applicable box below. (See instructions for further detail.)

1. ☒ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
2. ☒ ☐ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
3. ☒ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
4. ☒ ☐ The local unit has adopted a budget for all required funds.
5. ☒ ☐ A public hearing on the budget was held in accordance with State statute.
6. ☒ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
7. ☒ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
8. ☒ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
9. ☒ ☐ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
10. ☒ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
11. ☒ ☐ The local unit is free of repeated comments from previous years.
12. ☒ ☐ The audit opinion is UNQUALIFIED.
13. ☒ ☐ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
14. ☒ ☐ The board or council approves all invoices prior to payment as required by charter or statute.
15. ☒ ☐ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

We have enclosed the following:	Enclosed	Not Required (enter a brief justification)	
Financial Statements	<input checked="" type="checkbox"/>		
The letter of Comments and Recommendations	<input type="checkbox"/>	Comments and recommendations not necessary for current audit.	
Other (Describe)	<input type="checkbox"/>		
Certified Public Accountant (Firm Name) Wipfli LLP		Telephone Number 608.274.1980	
Street Address 2901 West Beltline Highway, Suite 201		City Madison	State WI
Zip 53713			
Authorizing CPA Signature 	Printed Name Denes L. Tobie, CPA	License Number 1101027328	

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Financial Statements and Additional Information
Year Ended June 30, 2008

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Independent Auditor's Report

Board of Directors
West Central Michigan Employment and Training Consortium
Big Rapids, Michigan

We have audited the accompanying financial statements of the governmental activities and the major fund of West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central") as of and for the year ended June 30, 2008, as listed in the table of contents. These financial statements are the responsibility of West Central Michigan Employment and Training Consortium's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of West Central Michigan Employment and Training Consortium as of June 30, 2008, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2008, on our consideration of West Central Michigan Employment and Training Consortium's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's Discussion and Analysis on pages 3 through 9 and the budgetary comparison information on page 24 are not a required part of the basic financial statements but are additional information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consist principally of inquiries of management regarding methods of measurement and presentation of the required additional information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the West Central Michigan Employment and Training Consortium basic financial statements. The accompanying schedule of expenditures of federal awards and other financial assistance, Schedule A-1 to A-2, which includes the requirements of U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

A handwritten signature in black ink that reads "Wipfli, LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

November 18, 2008
Madison, Wisconsin

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Management's Discussion and Analysis

Financial Highlights

- West Central Michigan Employment and Training Consortium's (the "Consortium") overall financial position, as reflected in total net assets, decreased by \$18,412.
- In governmental funds, the total fund balance decreased by \$3,851.

A synopsis of key financial activities for the 2007/2008 fiscal year is as follows:

- The Consortium was awarded a new grant of \$630,000 from the Michigan Department of Corrections to provide services for the Michigan Prisoner Re-Entry Initiative (MPRI) for both the Central Area Michigan Works! and Michigan Works! West Central delivery areas. The Consortium has also been designated to be the fiduciary for this nine county region, currently funded through September 30, 2010, at \$630,000 per year.
- The Consortium received a large variety of small training grants to support the No Worker Left Behind Initiative, which created additional record keeping and financial reporting at both the Administration and Service Provider levels.
- It was necessary to apply for an additional \$200,000 of WIA Dislocated Worker funding to cover training demands.
- We ended the year with lower than anticipated carry-in funding; however, the WIA allocations are reflecting a significant increase over the prior couple of years.
- The Consortium met all of the 17 WIA Performance Standards and exceeded 12 of the 17 Performance Standards, which qualifies the Consortium to share in the incentive funds for fiscal year ending June 30, 2009.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Consortium's basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. In addition, other information supplementary to the basic financial statements is provided.

Government-Wide Financial Statements

- The government-wide financial statements are the statement of net assets and the statement of activities. These statements present an aggregate view of the Consortium's finances in a manner similar to private and nonprofit sectors.
- The statement of net assets presents information on all of the Consortium's assets and liabilities, with the difference between the two being reported as net assets.

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Management's Discussion and Analysis

Overview of the Financial Statements (Continued)

Government-Wide Financial Statements (Continued)

- The statement of activities presents information showing how the Consortium's net assets changed during the year.
- The government-wide financial statements are shown on pages 10 and 11 of this report.

Fund Financial Statements

- The Consortium also produces fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities. The Consortium, like other federal, state, and local governments, uses fund accounting to demonstrate compliance with finance-related legal requirements. Fund statements generally report operations in more detail than the Consortium's government-wide statements.
- There are two fund financial statements: the balance sheet and the statement of revenue, expenditures, and changes in fund balance.
- The Consortium has only one fund - the governmental general fund. The general fund accounts for all federal, state, and local grant-funded programs.

The major features of the Consortium's financial statements, including the portion of the activities reported and the type of information contained, is shown in the following table:

	Government-Wide Statements	Fund Financial Statements Governmental
Scope	Entire Government.	The programmatic and operating activities of the Consortium, such as employment and training.
Required Financial Statements	Statement of net assets and statement of activities.	Balance sheet and statement of revenue, expenditures, and changes in fund balance.
Basis of Accounting and Measurement Focus	Accrual accounting and economic resources focus.	Modified accrual accounting. Current financial resources focus.
Type of Asset and Liability Information	All assets and liabilities, both financial and capital, short-term and long-term.	Generally includes assets expected to be used up and liabilities that come due during the year or soon thereafter. No capital assets or long-term liabilities included.
Type of Inflow and Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid.	Revenue for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and the related liability is due and payable.

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Management's Discussion and Analysis

Overview of the Financial Statements (Continued)

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the Consortium's government-wide and fund financial statements. The notes to the financial statements can be found on pages 16 through 21 of this report.

Government-Wide Financial Analysis

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Consortium, assets exceeded liabilities by \$190,343 at June 30, 2008, and \$208,755 at June 30, 2007. Table 1 below provides a summary of the Consortium's net assets for the years ended June 30, 2008 and 2007.

Table 1
Condensed Statement of Net Assets

	Governmental Activities 2008	Governmental Activities 2007
Current and other assets	\$ 826,166	\$ 1,152,031
Capital assets	125,651	140,212
Total assets	951,817	1,292,243
Current liabilities	761,474	1,083,488
Total liabilities	761,474	1,083,488
Net assets:		
Invested in capital assets	125,651	140,212
Unrestricted	64,692	68,543
Total net assets	\$ 190,343	\$ 208,755

In governmental activities for the year ended June 30, 2008, total assets decreased by \$340,426, including a decrease in cash of \$880,244, an increase in grants receivable of \$591,520, a decrease in prepaid expenses of \$38,487, and a decrease in capital assets of \$14,561. Total liabilities decreased \$322,014 primarily due to the \$495,712 decrease in unearned revenue and \$171,450 increase in accounts payable.

In governmental activities for the year ended June 30, 2007, total assets increased by \$684,030 including an increase in cash of \$988,505 and a decrease in grants receivable of \$362,107. Total liabilities increased \$623,972 primarily due to the \$508,460 increase in unearned revenue.

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Management's Discussion and Analysis

Change in Net Assets

Table 2 summarizes the change in net assets for the fiscal years 2008 and 2007.

Table 2
Change in Net Assets

	2008		2007	
	Amount	Percentage of Funding	Amount	Percentage of Funding
Revenue:				
Operating grants and contributions	\$ 5,331,744	98.97%	\$ 4,969,249	97.90%
Other revenue	-	0.00%	9,633	0.19%
Capital grants and contributions	55,314	1.03%	97,057	1.91%
Total revenue	5,387,058	100.00%	5,075,939	100.00%
Expenses:				
Job training:				
Administration	\$ 507,139	9.38%	\$ 482,410	9.62%
Program	552,705	10.22%	412,821	8.23%
Direct administration	29,542	0.55%	104,891	2.09%
Direct client program	345,911	6.40%	865,708	17.26%
Direct client participant	457,230	8.46%	245,997	4.90%
TANF program/participant	757,526	14.01%	-	0.00%
Supportive services	237,962	4.40%	263,666	5.26%
WIA services	2,394,974	44.31%	2,501,010	49.86%
Depreciation	53,673	0.99%	38,020	0.76%
Other	68,807	1.27%	101,358	2.02%
Total expenses	5,405,470	100.00%	5,015,881	100.00%
Changes in net assets	(18,412)		60,058	
Net assets - Beginning of year	208,755		148,697	
Net assets - End of year	\$ 190,343		\$ 208,755	

As shown, program revenue in the form of grants, contributions, and other revenue provides about 99% and 98% for the years ended June 30, 2008 and 2007, respectively, of the funds for governmental activities, which are expended primarily on core services, intensive services, and direct training. Operating grant revenue for 2008 was \$362,495 or 7.29% more than 2007. Operating grant revenue for 2007 was \$79,390 or 1.59% more than 2006.

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Management's Discussion and Analysis

Governmental Funds

The Consortium completed the fiscal year June 30, 2008, with a total governmental fund balance of \$64,692, \$3,851 less than last year's ending fund balance of \$68,543.

General Fund Budgetary Highlights

Significant differences between original and final amended budget and actual financial results are summarized as follows:

- Grant revenue was under budget by \$778,485. The Board-approved budget included five quarters of Welfare Reform funding due to the grant period operating on a different cycle than the Consortium's fiscal year. Additionally, the Consortium was awarded \$630,000 for the Michigan Prisoner Re-Entry Initiative, which was included in the Board-approved budget.
- Overall, job training expenditures were under budget by \$774,635. The reduction in expenditures followed the reduction in funding described above.
- The under-budget revenue will be carried forward and will be expended over the next program year.

Capital Assets

At the end of the 2008 fiscal year, the Consortium had invested a cumulative of \$343,259 in capital assets, including vehicles and equipment (see Table 3). Supplementary information about capital assets can be found in Note 4, page 20. The Consortium recognized depreciation expense of \$53,673 and loss on disposal of fixed assets of \$16,202 for governmental activities. Total accumulated depreciation on these assets was \$217,608.

Table 3
Capital Assets

	2008	2007	% Change
Equipment	\$ 150,725	\$ 198,298	-23.99%
Vehicles and signs	192,534	175,133	9.94%
Accumulated depreciation	(217,608)	(233,219)	-6.69%
Totals	\$ 125,651	\$ 140,212	

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Management's Discussion and Analysis

Factors Bearing on West Central Michigan Employment and Training Consortium's Future

There continue to be factors that will have an impact on the direction of services the Consortium sponsors and the organization. Some continue to be items mentioned previously that continue to be factors for this year. For this year, these include:

- The Michigan Prisoner Re-Entry Initiative (MPRI) continues to be a new and developing program in the Central Area. Michigan Works! West Central is the fiduciary, and the program is going into its second year in this area; however, this is the first full year of providing services directly to parolees. The MPRI Central Area includes the five counties served by Michigan Works! West Central and four counties served by the Central Area Michigan Works! Contractors, service contracts, and a new structure continue to be developed and services expanded.
- WorkKeys and KeyTrain assessment and remediation continue to be a factor, as the West Michigan WIRED Initiative and USDOL Earmark Grant with West Shore Community College come to a close. Both of these initiatives promoted WorkKeys testing and remediation. Michigan has chosen to become a WorkKeys state and adapt the ACT (WorkKeys) Career Readiness Certificate (CRC) as a state-recognized certification. Having the certificate recognized by workers and employers continues and will be a multi-year effort. Michigan Works! West Central remains committed to the implementation of the CRC, as we were one of the first MWAs to fully embrace these two workforce development tools.
- A new activity is GED testing for two Michigan Works! West Central counties (Mecosta and Osceola). By special permission, Michigan Works! West Central is the only Michigan Works! agency to be approved as an official GED testing site. A significant number of customers in the Welfare Reform programs, in particular, are in need of this service as area educational agencies have chosen to no longer provide this activity. The challenges in establishing a new service will include providing services to the general public for testing and establishing a fee for service. There has been significant cooperation and support from area educational agencies, including public schools, the Mecosta-Osceola Intermediate School District, and Ferris State University. GED preparation will continue, but with an expanded focus of now serving the general public.
- The state No Worker Left Behind Initiative continues, as well as the need and interest of workers to improve their skills via education. For the first time in many years, state funding will be used to sponsor worker training. Michigan has also obtained additional funding through the WIA National Emergency Grant (NEG) to support additional training for Dislocated Workers.
- The USDOL has mandated that all MWAs use either a comp or credit card payment method to make tuition payments to educational institutions for Trade Act participants beginning October 1, 2008. The WDB/LEO Boards have approved Michigan Works! West Central to obtain a Commercial Credit Card from Fifth Third Bank. This method of payment will allow West Central to authorize tuition payments on behalf of our Trade Act clients via a phone call to the educational institution. Other advantages are that West Central will have the luxury of only making one payment each month to Fifth Third Bank, any refunds would be credited back to West Central rather than the client, and there are no "charge type cards" in the hands of clients. In the future we may consider using this method of payment for our other programs.

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Management's Discussion and Analysis

Contacting the West Central Michigan Employment and Training Consortium's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Consortium's finances and to demonstrate the Consortium's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Paul Griffith, Executive Director, at 110 Elm Street, Big Rapids, Michigan 49307.

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Statement of Net Assets

June 30, 2008

Assets:

Cash	\$ 202,636
Grants receivable	598,254
Other receivables	2,936
Prepaid expenses	22,340
Capital assets, net of accumulated depreciation	125,651

TOTAL ASSETS	\$ 951,817
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Liabilities:

Accounts payable	\$ 704,344
Accrued payroll and related expenses	6,688
Accrued compensated absences	30,368
Unearned revenue	20,074

Total liabilities	761,474
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Net assets:

Invested in capital assets	125,651
Unrestricted	64,692

Total net assets	190,343
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TOTAL LIABILITIES AND NET ASSETS	\$ 951,817
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West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Statement of Activities

Year Ended June 30, 2008

Functions/Programs	Expenses	Program Revenue		Net (Expense) Revenue and Changes in Net Assets Government Activities
		Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:				
Job training	\$ 5,401,619	\$ 5,331,744	\$ 55,314	(\$ 14,561)
Total program activities	5,401,619	5,331,744	55,314	(14,561)
Support services:				
Corporate activities	3,851	0	0	(3,851)
Total support services	3,851	0	0	(3,851)
Total governmental activities	\$ 5,405,470	\$ 5,331,744	\$ 55,314	(\$ 18,412)
Change in net assets				(\$ 18,412)
Net assets - June 30, 2007				208,755
Net assets - June 30, 2008				\$ 190,343

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Balance Sheet - Governmental Fund

June 30, 2008

Assets:

Cash	\$	202,636
Grants receivable		598,254
Other receivables		2,936
Prepaid expenses		22,340

TOTAL ASSETS	\$	826,166
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Liabilities:

Accounts payable	\$	704,344
Accrued payroll and related expenses		6,688
Accrued compensated absences		30,368
Unearned revenue		20,074

Total liabilities		761,474
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Fund balance - Unreserved, undesignated		64,692
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TOTAL LIABILITIES AND FUND BALANCE	\$	826,166
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West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Reconciliation of Balance Sheet - Governmental Funds to the Statement of Net Assets

June 30, 2008

Total fund balance - Governmental funds		<u>\$ 64,692</u>
Total net assets reported to governmental activities in the statement of net assets are different from the amount reported above as to governmental funds balance because:		
Capital assets used in government activities are not financial resources and, therefore, are not reported in the fund statements. Amounts reported for governmental activities in the statement of net assets are:		
Governmental capital assets	\$ 343,259	
Governmental accumulated depreciation	<u>(217,608)</u>	
		<u>125,651</u>
Total net assets - Governmental activities		<u><u>\$ 190,343</u></u>

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Statement of Revenue, Expenditures, and Changes in Fund Balance - All Governmental Fund Types Year Ended June 30, 2008

Revenue:		
Federal grants	\$	4,719,008
State grants		548,370
Other revenue		119,680
Total revenue		5,387,058
Expenditures:		
Personal services:		
Administration		328,269
Program		241,078
Supplies:		
Administration		17,638
Program		83,682
Other charges and services:		
Administration		149,657
Program		3,204,630
Participant/supportive services		1,226,034
Other		80,756
Capital outlays		55,314
Corporate expenditures		3,851
Total expenditures		5,390,909
Excess of revenue over expenditures	(3,851)
Fund balance - June 30, 2007		68,543
Fund balance - June 30, 2008	\$	64,692

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Reconciliation of Statement of Revenue, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities Year Ended June 30, 2008

Net change in fund balances - Total governmental funds	<u>(\$ 3,851)</u>
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Amounts reported for governmental activities in the
statement of activities are different because:

The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities.

Capital outlay reported in governmental fund statements	\$ 55,314
Depreciation expense and loss on disposal reported in the statement of activities	<u>(69,875)</u>

Amount by which capital outlays are more than depreciation in the current period	<u>(14,561)</u>
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Change in net assets - Governmental activities	<u><u>(\$ 18,412)</u></u>
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West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies

Nature of Operations

West Central Michigan Employment and Training Consortium (the "Consortium"), which is a local governmental administrative entity, was organized under the Michigan Department of Labor Instruction Letter No. 84-8 pursuant to Section 103(b)(1) of the Job Training Partnership Act, PL 97-300 of 1982, as the grant recipient and the administrative entity for the Service Delivery Area, which covers the counties and cities below. The Consortium was formed to prepare youth and unskilled adults for entry into the workforce and to provide economically disadvantaged individuals and others facing barriers to employment with job training in Lake, Mason, Mecosta, Newaygo, and Osceola counties in Michigan. The Consortium is primarily supported through federal and state government grants. Approximately 94% of the total funding is federal pass-through funds received from the Michigan Department of Labor and Economic Growth.

The financial statements of the Consortium have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989, (when applicable) that do not conflict with or contradict GASB pronouncements in the preparation of their government-wide statements. The significant accounting principles and policies utilized by the Consortium are described below.

Basis of Presentation

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and statement of activities) present financial information about the Consortium's nonfiduciary activities as a whole. Governmental activities generally are financed through intergovernmental revenue and other nonexchange transactions.

The statement of activities presents the degree to which the direct expenses of a given function are offset by program revenue. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenue consists of grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all interest income, is presented as general revenue.

The Consortium applies restricted resources first when an expense is incurred for a purpose for which both restricted and unrestricted net assets are available. Depreciation expense which can be specifically identified by function is included in the direct expenses of the function.

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Fund Financial Statements

The accounts of the Consortium are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained, consistent with legal and managerial requirements.

The Consortium reports the following major governmental fund:

General Fund

This is the Consortium's primary operating fund. It accounts for all financial activity, including activities associated with providing job training and other social service programs.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the Consortium gives or receives value without directly receiving or giving equal value in exchange, include grants, entitlements, and donations. On an accrual basis, revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Interest earnings on temporary investments are recognized in the fiscal period earned.

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Consortium considers all revenue reported in the governmental funds to be available if the revenue is collected within 60 days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Measurement Focus and Basis of Accounting (Continued)

Unearned revenue is reported on the balance sheet when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenue also arises when resources are received by the Consortium before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability on the balance sheet is removed and revenue is recognized.

Capital Assets

Capital assets are reported at actual cost. Donated assets are reported at estimated fair value at the time received. Capital assets are recorded in the government-wide financial statements but are not reported in the fund financial statements.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Equipment	\$5,000	Straight line	3
Vehicles and signs	\$5,000	Straight line	5

Federal and State Grant Revenue

Grants are recorded as invoiced to the funding source. Revenue is recognized in the accounting period when the related expenses are incurred. Amounts received or receivables in excess of expenses are reflected as unearned revenue.

Cost Allocation

Joint costs are allocated to benefiting programs using various allocation methods, depending on the type of joint cost being allocated. Whenever possible, costs are allocated directly to each program. Joint costs are those costs incurred for the common benefit of all the Consortium's programs that cannot be readily identified with a final cost objective.

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

The Consortium is a consortium of governments organized under Michigan Public Act 7 of 1967 and is exempt from federal and Michigan income taxes.

Budgetary Accounting

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States for the general fund. The budget document presents information by fund, activity, and line items. The Consortium's Board approves the original budget at the beginning of the fiscal year. Amendments, if any, are approved periodically during the year.

Vested Compensation Absences and Payable

Using the criteria established in GASB Statement 16, a liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the employer and employee should be accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the employer should be accounted for in the period those services are rendered or those events take place.

The Consortium's personnel policy states that accumulated vacation is to be used within one year of the date that it is credited to the employee; therefore, the entire balance of \$30,368 in accrued compensated absences is considered a short-term liability and has accordingly been reported on the statement of net assets of the Consortium at June 30, 2008.

Note 2 Cash

The Consortium maintains cash balances at local banks in interest-bearing and non-interest-bearing accounts. The Consortium does not have a formal policy that limits its exposure to fair value losses arising from increasing interest rates. As of June 30, 2008, the bank balance was \$242,637 and the carrying amount was \$202,637. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. Balances in excess of \$100,000 are not collaterally secured by the banks. Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Consortium will not be

West Central Michigan Employment and Training Consortium

(d/b/a "Michigan Works! West Central")

Notes to Financial Statements

Note 2 Cash (Continued)

able to recover deposits that are in the possession of an outside party. As of June 30, 2008, the Consortium had a total custodial credit risk of \$51,335 on its deposits. At various times during the year the Consortium's deposits may have been higher or lower than the balance as of June 30, 2008. This means that the Consortium's custodial credit risk could have been higher or lower at those times.

Note 3 Grants Receivable

Grants receivable at June 30, 2008, consisted of the following:

<u>Grant</u>	<u>Amount</u>
Workforce Investment Act – All programs	\$ 420,400
Temporary Assistance for Needy Families – JET	50,793
State GF/GP	40,638
Trade Act	29,010
Disability Navigator Program	19,474
Wagner Peyser – Employment Services	18,885
21 st Century Workforce	12,038
Food Assistance	7,016
<u>Total</u>	<u>\$ 598,254</u>

Note 4 Capital Assets

Capital asset balances and activity for the year ended June 30, 2008, were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets being depreciated:				
Equipment	\$ 198,298	\$ 0	(\$ 47,573)	\$ 150,725
Vehicles and signs	175,133	55,314	(37,913)	192,534
<u>Total capital assets being depreciated</u>	<u>373,431</u>	<u>55,314</u>	<u>(85,486)</u>	<u>343,259</u>
Less accumulated depreciation for:				
Equipment	(149,932)	(25,995)	47,531	(128,396)
Vehicles and signs	(83,287)	(27,678)	21,753	(89,212)
<u>Total accumulated depreciation</u>	<u>(233,219)</u>	<u>(53,673)</u>	<u>69,284</u>	<u>(217,608)</u>
Governmental activities capital assets, net of accumulated depreciation	\$ 140,212	\$ 1,641	(\$ 16,202)	\$ 125,651

Depreciation expense of \$53,673 and a loss on disposal of fixed assets of \$16,202 have been allocated to job training function.

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Notes to Financial Statements

Note 5 Operating Leases

The Consortium has various operating lease rental agreements for each of the offices of the Consortium. Payments on agreements during the year ended June 30, 2008, were \$343,260. The leases are cancelable in the event of a loss of funding to the Consortium. Future minimum lease payments on leases having funding contingencies beyond June 30, 2008, are as follows:

2009	\$ 328,460
2010	204,672
2011	70,560
2012	70,560
2013	70,560
Thereafter	17,640
Total	\$ 762,452

The Consortium subleases facilities under operating leases. The operating lease revenue for the year ended June 30, 2008, was \$84,383. Future minimum lease receipts on subleases of \$13,205 and \$712 are expected for the years ended June 30, 2009 and 2010, respectively.

Note 6 Pension Plan

All employees of the Consortium, except leased employees and interns hired after December 16, 1986, are eligible to participate in a defined contribution money-purchase plan after completing one year of service. The Consortium contributes a percentage of covered wages to the plan. The 2007/2008 fiscal year required contributions of \$17,849, charged to the year ended June 30, 2008, are 7% of current-year covered payroll.

Note 7 Risk Management

The Consortium is exposed to various risks of loss including general liability, property damage, employee dishonesty, and workers' compensation for which the Consortium carries commercial insurance. There have not been any claims in any of the three prior years.

Additional Information

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Schedule A-1

Schedule of Expenditures of Federal Awards and Other Financial Assistance

Year Ended June 30, 2008

CFDA Number	Program Name	Grantor Agency	Total Expenditures	Subcontracted Expenditures
ASSISTANCE PROGRAMS AS IDENTIFIED IN THE CATALOG OF FEDERAL DOMESTIC ASSISTANCE				
FEDERAL FUNDS (Pass-Through Dollars)				
Department of Agriculture				
10.561	Food Assistance Program	Michigan Department of Labor & Economic Growth	\$ 44,708	\$ 37,608
Department of Labor				
17.207	Employment Service	Michigan Department of Labor & Economic Growth	248,969	191,524
17.207	Employment Service - NWLB	Michigan Department of Labor & Economic Growth	38,003	30,402
	Subtotal 17.207		286,972	221,926
17.245	Trade Adjustment Assistance	Michigan Department of Labor & Economic Growth	173,753	171,585
17.258	WIA Adult	Michigan Department of Labor & Economic Growth	845,070	733,925
17.258	WIA Statewide Youth - Adult	Michigan Department of Labor & Economic Growth	2,301	1,636
17.258	WIA Statewide Performance Incentive - Adult	Michigan Department of Labor & Economic Growth	5,978	0
17.258	WIA Statewide One Stop Operation	Michigan Department of Labor & Economic Growth	13,651	0
17.258	WIA Statewide Capacity Building - Adult	Michigan Department of Labor & Economic Growth	6,163	0
17.258	WIA Statewide NWLB - Adult	Michigan Department of Labor & Economic Growth	14,974	13,477
17.258	WIA Statewide TANF - Adult	Michigan Department of Labor & Economic Growth	33,294	0
17.258	WIA Adult Administration	Michigan Department of Labor & Economic Growth	63,461	0
	Subtotal 17.258		984,892	749,038
17.259	WIA Youth	Michigan Department of Labor & Economic Growth	689,436	598,335
17.259	WIA Statewide Youth - Youth	Michigan Department of Labor & Economic Growth	2,499	2,171
17.259	WIA Statewide Performance Incentive - Youth	Michigan Department of Labor & Economic Growth	6,611	0
17.259	WIA Statewide One Stop Operation	Michigan Department of Labor & Economic Growth	17,882	0
17.259	WIA Statewide Capacity Building - Youth	Michigan Department of Labor & Economic Growth	6,694	0
17.259	WIA Statewide NWLB - Youth	Michigan Department of Labor & Economic Growth	17,690	15,921
17.259	WIA Statewide TANF - Youth	Michigan Department of Labor & Economic Growth	39,667	0
17.259	WIA Youth Administration	Michigan Department of Labor & Economic Growth	74,359	0
	Subtotal 17.259		854,838	616,427
17.260	WIA Dislocated Worker	Michigan Department of Labor & Economic Growth	852,407	749,767
17.260	WIA Dislocated Worker - NWLB	Michigan Department of Labor & Economic Growth	71,317	71,317
17.260	WIA Statewide Youth - Dislocated Worker	Michigan Department of Labor & Economic Growth	4,161	4,254
17.260	WIA Statewide Performance Incentive - Dislocated Worker	Michigan Department of Labor & Economic Growth	9,867	0
17.260	WIA Rapid Response Incumbent Worker - DW	Michigan Department of Labor & Economic Growth	72,888	68,006
17.260	WIA Statewide One Stop Operation	Michigan Department of Labor & Economic Growth	34,737	0
17.260	WIA Statewide Capacity Building - Dislocated Worker	Michigan Department of Labor & Economic Growth	11,143	0
17.260	WIA Rapid Response - 21 Century Workforce	Michigan Department of Labor & Economic Growth	43,188	35,472
17.260	WIA Statewide NWLB - Dislocated Worker	Michigan Department of Labor & Economic Growth	31,768	28,592
17.260	WIA Statewide TANF - Dislocated Worker	Michigan Department of Labor & Economic Growth	70,734	0
17.260	WIA Dislocated Worker Administration	Michigan Department of Labor & Economic Growth	124,592	0
	Subtotal 17.260		1,326,802	957,408
	Subtotal 17.258, 17.259, and 17.260 Cluster		3,166,532	2,322,873
17.266	Work Incentive Disability Navigator	Michigan Department of Labor & Economic Growth	20,524	0

West Central Michigan Employment and Training Consortium

(d/b/a "Michigan Works! West Central")

Schedule A-2

Schedule of Expenditures of Federal Awards and Other Financial Assistance

Year Ended June 30, 2008

CFDA Number	Program Name	Grantor Agency	Total Expenditures	Subcontracted Expenditures
Department of Health and Human Services:				
93.558	Temporary Assistance for Needy Families - Work First	Michigan Department of Labor & Economic Growth	229,978	205,195
93.558	Temporary Assistance for Needy Families - JET	Michigan Department of Labor & Economic Growth	789,728	706,903
93.558	TANF - NWLB	Michigan Department of Labor & Economic Growth	6,811	6,811
	Subtotal 93.558		1,026,517	918,909
	Total Federal Assistance		4,719,006	3,672,901
NONFEDERAL PROGRAMS				
N/A	Michigan Prisoner Re-entry Initiative	Michigan Department of Corrections	195,596	
N/A	Michigan Prisoner Re-entry Initiative	Michigan Council on Crime and Delinquency	28,659	
N/A	Incumbent Worker - Matching Funds	N/A	119,680	
N/A	GF/GP State	Michigan Department of Labor & Economic Growth	324,117	
	Subtotal Nonfederal Programs		668,052	
DISCRETIONARY ACTIVITY				
N/A	Corporate expenses	N/A	3,851	
	TOTALS		\$ 5,390,909	

Note to Schedule of Expenditures of Federal Awards and Other Financial Assistance

This schedule includes the grant activity of West Central Michigan Employment and Training Consortium and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The programs listed above do not have program numbers. Each program is identified by their program name.

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Schedule B

Budgetary Comparison Schedule - General Fund

Year Ended June 30, 2008

	Budget Original	Budget Final	Actual	Amount Over (Under) Budget
Revenue:				
Federal grants	\$ 4,608,044	\$ 5,103,160	\$ 4,719,008	(\$ 384,152)
State grants	937,112	1,062,383	548,370	(514,013)
Other revenue	0	0	119,680	119,680
Total revenue	5,545,156	6,165,543	5,387,058	(778,485)
Expenditures:				
Personal services:				
Administration	298,118	331,471	328,269	(3,202)
Program	147,070	163,524	241,078	77,554
Supplies:				
Administration	13,343	14,836	17,638	2,802
Program	51,480	57,239	83,682	26,443
Other charges and services:				
Administration	127,285	141,526	149,657	8,131
Program	3,448,066	3,833,832	3,204,630	(629,202)
Participant/support services	1,340,915	1,490,935	1,226,034	(264,901)
Other	107,638	119,680	80,756	(38,924)
Capital outlays	11,242	12,500	55,314	42,814
Corporate expenditures	0	0	3,851	3,851
Total expenditures	5,545,156	6,165,543	5,390,909	(774,634)
Excess of revenue over expenditures	0	0	(3,851)	(3,851)
Fund balance - June 30, 2007	68,543	68,543	68,543	68,543
Fund balance - June 30, 2008	\$ 68,543	\$ 68,543	\$ 64,692	\$ 64,692



Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

Board of Directors
West Central Michigan Employment and Training Consortium
Big Rapids, Michigan

We have audited the financial statements of the governmental activities and the major fund of West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central") as of and for the year ended June 30, 2008, and have issued our report thereon dated November 18, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered West Central Michigan Employment and Training Consortium's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of West Central Michigan Employment and Training Consortium's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of West Central Michigan Employment and Training Consortium's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects West Central Michigan Employment and Training Consortium's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States such that there is more than a remote likelihood that a misstatement of West Central Michigan Employment and Training Consortium's financial statements that is more than inconsequential will not be prevented or detected by West Central Michigan Employment and Training Consortium's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by West Central Michigan Employment and Training Consortium's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether West Central Michigan Employment and Training Consortium's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, management, others within West Central Michigan Employment and Training Consortium, federal and state awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Wipfli, LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

November 18, 2008
Madison, Wisconsin



Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

Board of Directors
West Central Michigan Employment and Training Consortium
Big Rapids, Michigan

Compliance

We have audited the compliance of West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. West Central Michigan Employment and Training Consortium's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of West Central Michigan Employment and Training Consortium's management. Our responsibility is to express an opinion on West Central Michigan Employment and Training Consortium's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about West Central Michigan Employment and Training Consortium's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on West Central Michigan Employment and Training Consortium's compliance with those requirements.

In our opinion, West Central Michigan Employment and Training Consortium complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal Control Over Compliance

The management of West Central Michigan Employment and Training Consortium is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered West Central Michigan Employment and Training Consortium's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of West Central Michigan Employment and Training Consortium internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of federal and state programs on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the ability to administer federal programs such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of federal programs will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Directors, management, others within West Central Michigan Employment and Training Consortium, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Wipfli, LLP".

Wipfli LLP

November 18, 2008
Madison, Wisconsin

West Central Michigan Employment and Training Consortium (d/b/a "Michigan Works! West Central")

Schedule of Findings and Questioned Costs

A. Summary of Auditor's Results

1. The auditor's report expresses an unqualified opinion on the financial statements of West Central Michigan Employment and Training Consortium.
2. No significant deficiencies relating to the audit of the financial statements were reported in the Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of West Central Michigan Employment and Training Consortium were disclosed during the audit.
4. No significant deficiencies were disclosed during the audit of the major federal award programs as reported in the Independent Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.
5. The auditor's report on compliance for the major federal award program for West Central Michigan Employment and Training Consortium expresses an unqualified opinion.
6. There were no audit findings relative to the major federal award programs for West Central Michigan Employment and Training Consortium.
7. The programs tested as major programs were the Workforce Investment Act Cluster of CFDA #17.258, #17.259, and #17.260.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. West Central Michigan Employment and Training Consortium was determined to not be a low-risk auditee.

B. Findings – Financial Statements Audit

None

C. Findings and Questioned Costs – Major Federal Award Programs Audit

Questioned Costs: None

Findings: None